

# SENATE BILL REPORT

## SB 5201

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As Reported by Senate Committee On:  
Health & Long-Term Care, January 26, 2009

**Title:** An act relating to billing for medical services provided through special education programs.

**Brief Description:** Concerning billing for medical services provided through special education programs.

**Sponsors:** Senators Franklin, Keiser and Marr; by request of Department of Social and Health Services.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 1/22/09, 1/26/09 [DP].

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Majority Report:** Do pass.

Signed by Senators Keiser, Chair; Franklin, Vice Chair; Pflug, Ranking Minority Member; Becker, Marr, Murray and Parlette.

**Staff:** Mich'l Needham (786-7442)

**Background:** Legislation passed in 1993 authorized the creation of a Medicaid billing program operated through the Office of the Superintendent of Public Instruction (OSPI) for the medical services provided through special education programs. In subsequent years, the federal Office of the Inspector General completed an audit of the program, and, as a result, the federal Centers for Medicare and Medicaid Services (CMS) directed the Department of Social and Health Services, Health and Recovery Services Administration (HRSA) to change in the Washington State Medicaid Plan to bring program reimbursement and payment methods into compliance with current CMS policy. The audit findings required HRSA to modify the reimbursement methodology, end its financial relationship with OSPI, and provide reimbursement directly to school districts. A State Medicaid Plan amendment has been approved and the new reimbursement method with school districts has been in place since September 2007.

**Summary of Bill:** The statutes that established a Medicaid billing program through OSPI for medical services provided through special education programs are repealed.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This is a cleanup bill so our statutes are in compliance with CMS requirements. We will continue to work closely with the OSPI and the 242 school districts that are billing for this service now.

**Persons Testifying:** PRO: MaryAnne Lindeblad, Department of Social and Health Services, Health and Recovery Services Administration.